

The Baldwin Locomotive Works Standard Steel Works Co.

PHILADELPHIA, PA., U. S. A.



Report

DECEMBER 31, 1924

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Fourteenth Annual Report

THE BALDWIN LOCOMOTIVE WORKS

December 31, 1924

THE BALDWIN LOCOMOTIVE WORKS

Incorporated under the Laws of the State of Pennsylvania
June 7, 1911

DIRECTORS

THOMAS S. GATES, Chairman
WILLIAM L. AUSTIN
SAMUEL M. VAUCLAIN
SAMUEL F. PRYOR
WILLIAM E. COREY
SYDNEY E. HUTCHINSON
SIDNEY F. TYLER
B. DAWSON COLEMAN
HAROLD T. WHITE
THOMAS G. ASHTON
ARTHUR W. SEWALL
JOHN M. HANSEN

Philadelphia
Rosemont, Pa.
Rosemont, Pa.
New York City
New York City
Philadelphia
Philadelphia
Lebanon, Pa.
New York City
Philadelphia
Philadelphia
Pittsburgh

OFFICERS

SAMUEL M. VAUCLAIN
JOHN P. SYKES
WILLIAM DE KRAFFT
GRAFTON GREENOUGH
F. DE ST. PHALLE
JAMES McNAUGHTON
CHARLES A. BOURGEOIS
JACQUES L. VAUCLAIN
HARRY GLAENZER
WILLIAM A. RUSSELL
HENRY V. WILLE
ARTHUR L. CHURCH
A. B. EHST

President
Senior Vice-President in Charge of Plants
and Manufacture
Vice-President in Charge of Finance, and
Treasurer
Vice-President in Charge of Domestic
Sales
Vice-President in Charge of Foreign Sales
Vice-President in Charge of the New York
Office
Vice-President in Charge of Manufacture
Vice-President in Charge of Plant and
Equipment
Vice-President in Charge of Engineering
Vice-President in Charge of Purchases
Consulting Vice-President Concerning
Engineering and Metallurgy
Secretary and Assistant Treasurer
Comptroller

GENERAL COUNSEL

MORGAN, LEWIS & BOCKIUS
Philadelphia

THE BALDWIN LOCOMOTIVE WORKS

General Offices of the Company

500 North Broad Street, Philadelphia

TRANSFER AGENTS

IN PHILADELPHIA: Philadelphia Trust Company, 415 Chestnut Street
IN NEW YORK: Bankers Trust Co., 16 Wall Street

REGISTRARS OF STOCK

IN PHILADELPHIA: The Pennsylvania Co. for Insurances on Lives and Granting Annuities, 517 Chestnut Street
IN NEW YORK: Guaranty Trust Company of New York, 140 Broadway

REPRESENTATIVES AND AGENTS

Boston, Mass.	HENRY BARTLETT	185 Devonshire Street
Chicago, Ill.	CHARLES RIDDELL	627 Railway Exchange
Houston, Texas	RUSSELL A. HEY	1108-9 Second National Bank Building
New York, N. Y.	JAMES McNAUGHTON	120 Broadway
Pittsburgh, Pa.	CHAS. E. HALE	375 Union Trust Bldg.
Portland, Ore.	A. J. BEUTER	313 Northwestern Bank Building
Richmond, Va.	G. F. JONES	512 Richmond Trust Bldg.
St. Louis, Mo.	A. S. GOBLE	1210 Boatmen's Bank Bldg.
St. Paul, Minn.	HENRY BLANCHARD	908 Merchants National Bank Building
San Francisco, Cal.	WILLIAMS, DIMOND & Co.	310 Sansome Street
Los Angeles, Cal.	C. PARRY VAUCLAIN	914 Central Bldg.
City of Mexico	PAUL G. CHEATHAM	2a Capuchinas, 48, D. F.
Africa	L. M. MCKUNE	P. O. Box 7017, Johannesburg, South Africa
"	VINES & Co.	P. O. Box 790, Lourenco Marques, P. E. A.
Argentina	WALLACE R. LEE	185 Paseo Colon, Railway Bldg., Buenos Aires
Australia	R. TOWNS & Co.	31 Reiby Lane, Sydney, New South Wales
"	NEWELL & Co.	189 King Street, Melbourne, Victoria
"	LESLIE & Co.	959-61 Hay Street, Perth, Western Australia

Brazil	C. F. DODSON	Caixa Postal 350, Rio de Janeiro
"	CORY BROS. & Co., LTD.	{ Caixa Postal 38, Bahia Caixa Postal 39, Pernambuco
"	HOLDEN & Co.	Caixa Postal 68, Para
Chile	CHAS. R. CULLEN	Casilla 109 D, Santiago
China	ANDERSEN, MEYER & Co., LTD.	Shanghai and Peking
France	PAUL NEGRIER	14 Rue Duphot, Paris
Great Britain	R. P. C. SANDERSON	34 Victoria Street, London, S. W. 1.
Hawaiian Islands	C. BREWER & Co., LTD.	Honolulu, T. H.
India	F. T. SLAYTON	Post Box 2080, 5 Dalhausie Sq. Calcutta
Japan	SALE & FRAZAR, LTD.	Tokio
New Zealand	PHILIPS & PIKE	Box 366, Wellington
Northeastern Europe	FRANK W. MORSE	Hotel Bristol, Warsaw, Poland
Peru	CHAS. R. CULLEN	Apartado 1417, Lima
Philippines	PACIFIC COMMERCIAL Co.	Manila
Porto Rico	R. CARRION	Bank of Nova Scotia Bldg., San Juan
Portugal	E. PINTO BASTO & Co., LTD.	64 Caes do Sodre, Lisbon
Scandinavia	OLAV BELSHEIM	Toldbogaden No. 8, Oslo, Norway
Southeastern Europe	E. ST. J. GREBLE, JR.	94 Str. Viitorului, Bucharest, Roumania
Cuba and Jamaica	G. R. PEREZ	520 National Bank of Cuba Bldg., Havana, Cuba

PLANTS

PHILADELPHIA AND EDDYSTONE
PENNSYLVANIA

STANDARD STEEL WORKS COMPANY

Incorporated under the Laws of the State of Pennsylvania
December 20, 1907

DIRECTORS

WILLIAM L. AUSTIN	Rosemont, Pa.
SAMUEL M. VAUCLAIN	Rosemont, Pa.
SYDNEY E. HUTCHINSON	Philadelphia
SIDNEY F. TYLER	Philadelphia
B. DAWSON COLEMAN	Lebanon, Pa.
ARTHUR W. SEWALL	Philadelphia
THOMAS S. GATES	Philadelphia

OFFICERS

SAMUEL M. VAUCLAIN	President
JOHN P. SYKES	Senior Vice-President in Charge of Plant and Manufacture
WILLIAM DE KRAFFT	Vice-President in Charge of Finance, and Treasurer
A. A. STEVENSON	Vice-President in Charge of Manufacture
RICHARD SANDERSON	Vice-President in Charge of Sales
WILLIAM A. RUSSELL	Vice-President in Charge of Purchases
HENRY V. WILLE	Consulting Vice-President Concerning Engineering and Metallurgy
ARTHUR L. CHURCH	Secretary
A. B. EHST	Comptroller

PLANT

BURNHAM, MIFFLIN COUNTY
PENNSYLVANIA

To the Stockholders of The Baldwin Locomotive Works

The President submits to the Stockholders his report for the calendar year 1924—presenting:

The Summary of Operations from July 1, 1911, until December 31, 1924, covering the life of the present Corporation, page 7.

The Baldwin Locomotive Works Summary of Operations, page 8.

The Baldwin Locomotive Works Balance Sheet, page 9.

Standard Steel Works Company Balance Sheet, page 10.

The Consolidated Balance Sheet of both Companies, page 11.

The report of Certified Public Accountants, page 12.

Business during the year has been very unsatisfactory. Trade relations have been sustained throughout the world. Your workshops and machinery have been fully maintained and improved, and your management looks forward to, and is fully prepared for, an increased amount of business during the year 1925.

S. M. VAUCLAIN,
President.

THE BALDWIN LOCOMOTIVE WORKS
Summary of Operations, July 1, 1911—December 31, 1924

Year	Gross Sales	Profit	Reserves, Etc.	Dividend	Surplus For Year	Adjustments	Surplus
1911 (6 mos.)	\$14,589,645.26	\$1,671,419.32	\$900,000.00	\$771,419.32	\$771,419.32
1912	28,924,335.16	3,698,571.44	1,800,000.00	1,898,571.44	2,669,990.76
1913	37,630,969.21	4,017,800.33	1,800,000.00	2,217,800.33	4,887,791.09
1914	13,616,163.36	365,229.92	15,000.00	1,800,000.00	1,449,770.08*	3,438,021.01
1915	22,083,011.06	2,867,816.17	40,000.00	1,400,000.00	1,427,816.17	4,865,837.18
1916	59,219,057.99	9,444,641.91	3,960,854.87	1,400,000.00	4,083,787.04	8,949,624.22
1917	98,263,865.33	11,193,840.66	2,888,118.36	1,400,000.00	6,905,722.30	55,346.52
1918	123,179,251.99	18,262,112.05	15,009,816.51	1,400,000.00	1,852,295.54	1,907,642.06
1919	84,307,776.72	8,871,243.30	3,095,000.00	2,100,000.00	3,676,243.30	970,527.60	6,554,412.96
1920	73,542,666.49	8,407,269.75	3,978,751.03	2,800,000.00	1,628,518.72	2,830,505.69	11,013,437.37
1921	49,945,506.24	8,962,273.10	3,918,176.63	2,800,000.00	2,244,096.47	13,257,533.84
1922	33,087,258.62	6,765,514.43	5,206,519.05	2,800,000.00	2,406,519.05	3,266,725.00	18,930,777.89
1923	102,762,075.28	11,931,521.93	8,215,057.62	2,800,000.00	916,464.31	19,847,242.20
1924	26,080,352.27	1,920,026.77	600,000.00	2,800,000.00†	1,320,026.77	2,800,000.00‡	18,367,268.97
	\$767,231,934.98	\$98,379,281.08	\$46,927,294.07	\$28,000,000.00	\$29,899,510.68		

* Deficit

† From Reserves

‡ For Dividends 1925

THE BALDWIN LOCOMOTIVE WORKS

Summary of Operations for the Year Ending December 31, 1924

Sales	\$26,080,352.27
Cost	26,437,172.25
Manufacturing Profit	\$356,819.98*
Other Income.....	3,256,254.90
Gross Profit.....	\$2,899,434.92
Deduct Other Expense, etc.....	979,408.15
Profit.....	\$1,920,026.77
Less Reserves:	
For Depreciation	\$600,000.00
Net Cash Profit to Surplus.....	\$1,320,026.77

(Subject to revision to meet any changes in interpretation of Federal Tax Laws,
Regulations or Rulings.)

* Loss

ASSETS		LIABILITIES	
PLANT AND EQUIPMENT:		CAPITAL STOCK:	
Land and Buildings.....	\$15,537,347.72	Preferred.....	\$20,000,000.00
Machinery and Fixtures.....	14,091,117.03	Common.....	20,000,000.00
	<hr/>		<hr/>
Less Depreciation, 1924.....	29,628,464.75		
	600,000.00		
	<hr/>		
INVESTMENTS:		FIRST MORTGAGE BONDS.....	10,000,000.00
Standard Steel Works Co.....	7,041,501.31		
Chicago Plant.....	407,990.96		
Dwelling House.....	5,880.00		
	<hr/>		
CURRENT ASSETS:		CURRENT LIABILITIES:	
Inventories.....	5,078,358.52	Accounts Payable.....	\$1,865,476.11
Accounts Receivable.....	9,222,186.22	Depositors' Saving Fund.....	1,599,620.45
Bills Receivable.....	3,321,117.55		<hr/>
Miscellaneous Securities.....	2,132,575.79		
Republic of Poland Bonds (5%).....	4,860,000.00		
Roumanian Treasury Notes (7%).....	1,226,457.00		
Argentine State Rys. (Notes).....	7,107,850.00	INTEREST:	
Mexican Govt. Rys. (Notes).....	3,758,336.75	Accrued Interest on Bonds.....	\$ 83,334.00
Chinese Govt. (Kinhann Ry.).....	1,485,000.00	Interest Received in Advance ..	521,378.75
Republic of Colombia (Notes).....	312,175.60		<hr/>
Cash.....	2,804,690.13		604,712.75
	<hr/>		
DEFERRED CHARGES:		SURPLUS AND RESERVES:	
Engineers, etc.....	13,733.58	Deferred Profit.....	\$3,640,665.11
Advances to Agents.....	157,488.79	Dividends, 1925.....	2,800,000.00
	<hr/>	Removals and Taxes.....	1,677,163.56
			<hr/>
SINKING FUND:		Total Reserves.....	\$8,117,828.67
First Mortgage Bonds.....	2,591,100.00	Surplus.....	18,367,268.97
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	\$80,554,906.95		\$26,485,097.64
			\$80,554,906.95

(Subject to revision to meet any changes in interpretation of Federal Tax Laws, Regulations or Rulings.)

STANDARD STEEL WORKS COMPANY Balance Sheet, December 31, 1924

ASSETS		LIABILITIES	
PLANT AND EQUIPMENT:		CAPITAL STOCK.....	
Land and Buildings.....	\$2,846,955.52	FIRST MORTGAGE BONDS.....	\$6,000,000.00
Machinery and Fixtures.....	7,288,727.85		1,600,000.00
	<u>\$10,135,683.37</u>	CURRENT LIABILITIES:	
		Accounts Payable.....	\$411,555.33
		Accounts Payable (B. L. W.)....	1,632,529.64
		Saving Funds.....	132,006.83
			<u>2,176,091.80</u>
		RESERVES:	
		Income Taxes.....	422,932.71
CURRENT ASSETS:			
Inventories.....	\$1,817,151.10		
Accounts Receivable.....	712,227.93		
Bills Receivable.....	142,957.61	December 31, 1923.....	2,723,144.19
Marketable Securities.....	2,841.25		
Cash.....	118,312.67	Profit, 1924.....	\$607,005.23
		Less Dividends.....	600,000.00
			<u>7,005.23</u>
			<u>\$12,929,173.93</u>

(Subject to revision to meet any changes in interpretation of Federal Tax Laws, Regulations or Rulings.)

THE BALDWIN LOCOMOTIVE WORKS AND STANDARD STEEL WORKS COMPANY Consolidated Balance Sheet, December 31, 1924

ASSETS		LIABILITIES	
PLANT AND EQUIPMENT:		CAPITAL STOCK:	
Real Estate, Machinery, Tools, etc.		The Baldwin Locomotive Works.....	\$40,000,000.00
The Baldwin Locomotive Works	\$29,028,464.75	BONDED DEBT:	
Standard Steel Works Company	10,135,683.37	The Baldwin Locomotive Works	
	<u>\$39,164,148.12</u>	First Mortgage Bonds.....	\$10,000,000.00
INVESTMENTS.....		Standard Steel Works Co.	
		First Mortgage Bonds.....	1,600,000.00
			<u>11,600,000.00</u>
CURRENT ASSETS.....	42,469,708.48	CURRENT LIABILITIES.....	
			4,008,658.72
DEFERRED CHARGES:		INTEREST.....	
Advances, Engineers, etc.....	171,222.37		604,712.75
SINKING FUND.....	2,591,100.00	SURPLUS AND RESERVES.....	
	<u>\$84,810,049.93</u>		28,596,678.46
			<u>\$84,810,049.93</u>

(Subject to revision to meet any changes in interpretation of Federal Tax Laws, Regulations or Rulings.)

STOCKWELL, WILSON & LINVILL

LAND TITLE BUILDING

PHILADELPHIA

To the Stockholders of

THE BALDWIN LOCOMOTIVE WORKS

We have examined the books of The Baldwin Locomotive Works and Standard Steel Works Company for the year ending December 31, 1924. In further verification of assets appearing on the books, we inspected and counted the notes receivable, securities, cash in hand, and obtained confirmation of bank balances and securities held by banks for your account.

While we did not actually count and weigh the merchandise, materials and finished stock, we inspected the inventory sheets and many of the items thereon as to price, extensions and footings thereof. The basis of valuation throughout was cost or market, whichever was lower, except that goods-in-process under sales contracts were valued at cost.

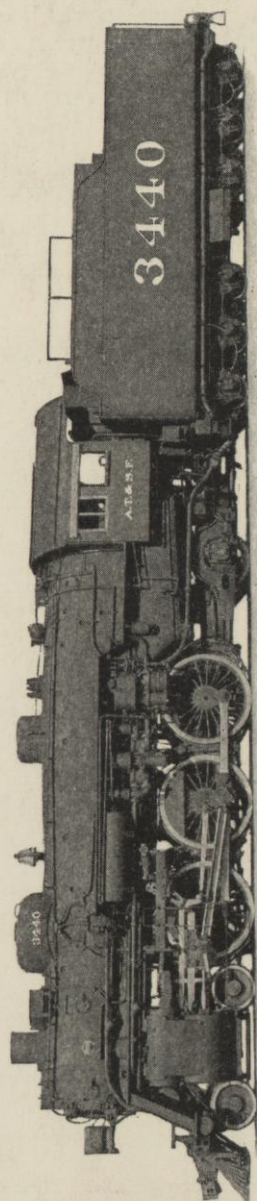
An examination of the details of the accounts receivable shows them to represent current, good book accounts, all accounts known to be bad having been charged off.

We did not make a physical inspection of the plant, but did examine the amounts added to the plant accounts during the year, and are satisfied that they constitute proper charges. Reserves have been set up for depreciation of plant and machinery and for Federal taxes.

Subject to the foregoing, the consolidated balance sheet represents the true financial condition of your company as of December 31, 1924.

STOCKWELL, WILSON & LINVILL
Certified Public Accountants

February 10, 1925



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